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27 August 1962

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## CENTRAL

# INTELLIGENCE

## BULLETIN



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### CENTRAL INTELLIGENCE BULLETIN

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Ecuador: The rightist congressional leaders who forced President Arosemena's cabinet to resign on 24 August have been unable to oust Arosemena himself. They oppose the succession of Vice President Varea because they believe he was involved in an arms purchase scandal during the previous administration. They are, however, unable to agree on an alternate.

Military leaders stated on 25 August through their representative in congress that they will "uphold the constitution." This statement is being interpreted by most congressmen as a pledge to support Arosemena.

Leftist opponents of Arosemena have as yet made no move, but moderate congressmen believe some leftist elements may attempt to set up a separate government on the coast if Arosemena is ousted. Fear of such a leftist move is an element in Arosemena's favor.

Cuba: Fidel Castro is following a familiar pattern in trying to exploit the raid on Havana on 24 August to revitalize domestic support for his regime. He may also use the attack to justify additional military assistance from the bloc as well as the massive deliveries of equipment and personnel now arriving in Cuba.

Initial bloc comment, echoing the Cuban charges, has been sparse and generally low-key.

Minor damage and apparently no casualties on either side resulted from the raid, which was an independent undertaking of about 20 members of the Revolutionary Student Directorate (DRE), an organization of Cuban ex-university students with active components in Cuba as well as abroad. The main activity of the DRE exile branches has been to publicize the anti-Castro cause among other Latin American student groups; its membership in Cuba has been involved in numerous sabotage attempts.

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The DRE and other exile organizations have become increasingly impatient recently over the absence of direct action against Castro. Manuel "Tony" Varona, the deputy chief of the Cuban Revolutionary Council, the largest Cuban exile organization, is touring the Central American republics in an attempt to bring about a meeting of their presidents to discuss "the Cuban problem."

There is no confirmation of DRE claims that the Havana raid coincided with "commando landings" in Cuba and insurgent activity in several mountainous regions of the island by other members of the organization. Such action, if undertaken, probably would be quickly suppressed by Castro's powerful and well-equipped security forces. Castro's military superiority over the resistance forces, however, will not preclude future "hit and run" attempts by other anti-Castro groups.

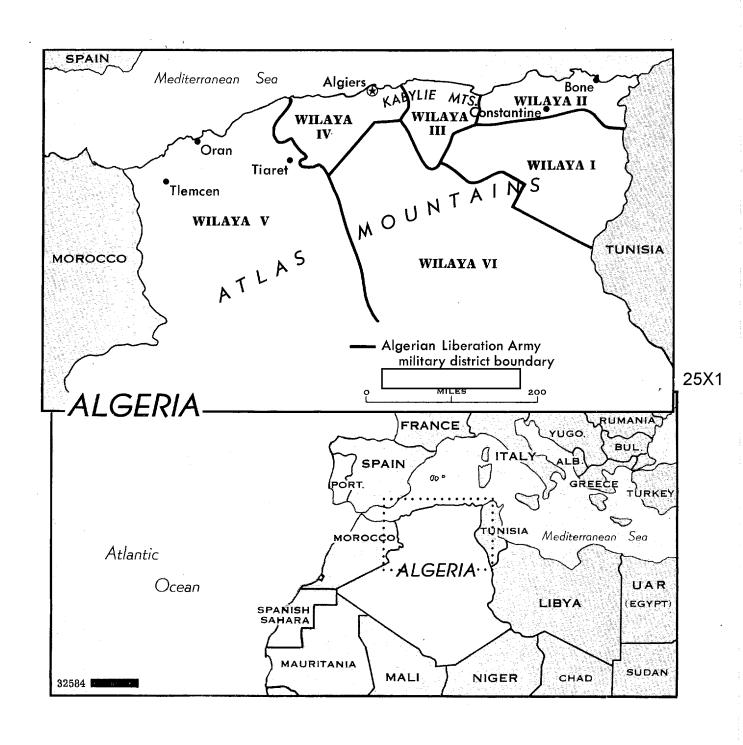
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Algeria: The struggle in Algiers between Ben Bella's political bureau and military leaders of Wilaya IV--the military district around Algiers--is continuing. A prolonged period of political maneuvering appears likely, and the country may break up into several quasi-independent areas.

Although the political bureau has been operating in Algiers virtually at the mercy of Wilaya IV, there are probably some troops in the city loyal to Ben Bella, and large forces elsewhere in the country, especially in the Oran area, also support him. Movement of these troops into the territory of Wilaya IV could provoke armed clashes. Other Wilayas have not come out in support of Wilaya IV.

The resignation from the political bureau of Mohamed Boudiaf, who represented Belkacem Krim in the bureau, suggests that he and Krim will support neither Ben Bella nor the leaders of Wilaya IV. Krim probably still controls the troops of Wilaya III, the area to the east of Algiers.

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\* Panama: The defection this weekend of a small group of National Guardsmen under a former Guard officer could develop into a serious threat to the Chiari government unless action against the group is quickly successful. Leader of the "revolt" is ex-major Manuel Hurtado, a highly competent officer who was discharged from military service last week for personal misconduct. About 25 members of the elite Public Order Company No. 1 of the National Guard, Panama's sole military force, deserted the night of 24/25 August and reportedly are with Hurtado in the mountainous area east and northeast of Panama City. The group is said to be well-armed and to have been joined by an unknown number of civilians.

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The chief immediate danger to the government comes from the coincidence of this action with the Communist-led student strike at the University of Panama which began on 21 August. The Chiari cabinet, which met in emergency session yesterday to consider the situation, fears the Hurtado group may try to lend support to the student strike. Roadblocks were set up around Panama City yesterday, and the government prepared for possible military action at the university. Leftist labor elements reportedly are preparing to support the students.

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